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MT LEGISLATIVE HISTORY

Chapter 339 19 81

Bill H _____ S 291

Original bill & hist. ____C

H. Committee on Local Government

S. Committee on Taxation

Hearing Date(s) Mar 26 ☒ C

Hearing Date(s) Feb 11 ☒ C

_____ C

Mar 06 ☒ C

_____ C

_____ C

_____ C

_____ C

Date Out Mar 27 ☒ C

Mar 06 ☒ C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____

Report _____

LOCAL GOVERNMENT COMMITTEE

March 26, 1981

The Local Government Committee met Thursday, March 26, 1981, at 12:30 p.m. in Room 103 of the Capitol. Chairman Bertelsen called the meeting to order and asked the secretary to call the roll. All committee members were present except Rep. Hurwitz who was absent. Staff Researcher Lee Heiman also attended the meeting.

SENATE BILL 291 - sponsored by Senator Tom Hager

SENATOR TOM HAGER said he is from District 30 in Yellowstone County. This is an act to authorize loans from the rural special improvement district revolving fund to fund emergency repairs in a rural special improvement district. This problem arises from where the city water lines extend from the city limits. Usually water lines last a long time but occasionally you get a break in them and when they break, they have to be fixed. The city has been taking care of the repairs on these lines but they have indicated they can no longer afford to do this. The county is trying to get an SID to finance the repairs. This bill will allow the county to get the loan from the revolving fund, pay for the repair and when taxes are levied the next time, they can levy a maintenance charge to reimburse the revolving fund.

PROPOSERS FOR SENATE BILL 291

BILL ROMINE said he is representing the Clerk and Recorders. We support this bill. We feel it grants flexibility for emergency repairs. As Senator Hager said, it is not very practical or wise to maintain a large maintenance fund for possible emergency repairs to the lines. When they break, they must be fixed. If you have no source of funding available except for next year's levy, the contractors will not do the work. It does provide protection for bonds and a maximum of three years for repayment. We will not deplete the revolving fund at the expense of the maintenance fund. We hope you will give SB 291 favorable recommendation.

MERRILL KLUNDT said he is County Clerk and Recorder for Yellowstone County. He furnished written testimony supporting Senate Bill 291, and urged that it be given favorable consideration. (Mr. Klundt's testimony is attached to and made a part of these minutes)

CHAIRMAN BERTELSEN asked if there were further proponents for SB 291. There were none. He asked if there were any OPPONENTS and there were none. He then asked Senator Hager if he'd like to close.

SENATOR HAGER closed. He mentioned that the new language inserted on Page 2 by the committee was done at the request of Bruce McKenzie who worked on the bill.

QUESTIONS FROM COMMITTEE MEMBERS:

REP. HANNAH asked Mr. Klundt if interest is required on the loan to be paid back into the revolving fund?

MR. KLUNDT said he didn't know of any provision in the bill requiring interest.

REP. HANNAH asked if there is any time limit?

REP. BERTELSEN said there is a three-year time limit.

REP. SALES for Mr. Klundt: Since the people in the districts are actually borrowing from their own funds, don't you think it would be senseless to be paying interest on your own money? Doesn't it level out that way?

MR. KLUNDT said the county is required to adopt a revolving fund and the money was taken from the general fund to begin with. Our county, over the years when the districts had been annexed, accumulated a little kitty. With the 2% we built up a fund to guarantee payment of bonds and warrants on RSIDs.

CHAIRMAN BERTELSEN asked if there were further questions. As there were none, he closed the hearing on Senate Bill 291.

CHAIRMAN BERTELSEN said while SB 291 is still fresh in mind, he would entertain a motion.

REP. KITSELMAN MOVED that we CONCUR IN SENATE BILL 291.

REP. HANNAH said he feels we should pursue the discussion on interest. The money isn't free. I think one of the reasons the bill is before us is because of the high cost of warrants. This was mentioned in testimony. People have put money in here and are paying interest on the money they have borrowed. It seems appropriate that if another portion of the city needed to borrow money for a short period of time that they should pay some interest on it.

REP. KESSLER: Is this one part of the county borrowing from another part of the county? ANSWER: Yes. So why charge yourself?

REP. WALDRON: The thing is, this is a Special Improvement District. A small portion of the county is a SID. It could be as small as three or four blocks, and borrowing from the entire county. The other problem is that if we amend this, the amendments have to be over to the other side by Monday.

The question was called on SB 291. The motion PASSED UNANIMOUSLY.

EXECUTIVE SESSION:

CHAIRMAN BERTELSEN pointed out what must be accomplished today and our restrictions. We have five other bills to be acted on. Three deal with salaries, one with disincorporation and one with the 5% revolving fund under SB 96. The numbers on the salary bills are SB 50, SB 84 and SB 175. Senate Bill 362 is disincorporation. It is my intention to act on these today. If necessary, we will go into session at 2:15 and if you want to go through third reading that is fine; but then we'll come back down and try to finish up.

SENATE BILL 50

CHAIRMAN BERTELSEN reminded committee members that Rep. Sales was chairman of the subcommittee to study the bill and make salary recommendations.

REP. SALES said that he, Reps. Vinger and Dussault met several times to study salaries. The first change the committee made was to delete the \$2,500 that Senator Pat Regan put in, so as the bill now stands, County Commissioners would receive the same salary as the Clerk and Recorders.

There is a large section in this bill dealing with coroners and trying to work them back into the system. After discussion, we ran into the same old problem because it varies so much from county to county. So we decided the best thing to do was go back to what was done last session and leave their salary strictly up to the County Commission and let them negotiate. So we are striking Section E.

The Superintendent of Schools will receive the same salary as the Clerk and Recorder plus the \$400.

The Sheriff will still receive the same salary as the Clerk and Recorder plus the \$2,000 per year. The \$2,000 was actually put in last session, but because of the way the bill was written, the Attorney General said that we made a mistake and the sheriffs' never did receive it. They received \$1,200 a year which was granted previously.

The part-time county attorneys' salary is being left as is. They receive the same salary as the Clerk and Recorder plus an extra \$1,200 per year. The county attorneys' salary was left at \$36,500. They are presently receiving \$34,350, so their increase in comparison to the others is in line. This is an increase of about 7-1/2%.

VISITORS' REGISTER

HOUSE LOCAL GOVERNMENT

COMMITTEE

BILL _____ SENATE BILL 291

Date Thurs., March 26

SPONSOR Senator Tom Hager

12:30

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

NAME: William L. Paine DATE: 3-26-81

ADDRESS: Box 1691 Helena

PHONE: 442-2220

REPRESENTING WHOM? Clerk & Recording Assn

APPEARING ON WHICH PROPOSAL: SB. 291

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENTS: This bill gives flexibility for emergency repairs

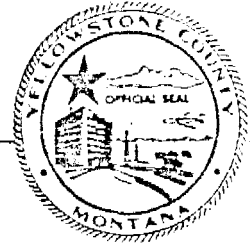
when the maintenance fund does not have sufficient

money. Contractors will not work if won't get paid

until sometime in the future.

County of Yellowstone

MERRILL H. KLUNDT
Clerk & Recorder



BILLINGS, MONTANA

59101

March 25, 1981

Representative Verner Bertelsen
Chairman, Local Govt. Committee
State Capitol Building
Helena, Montana 59601

Dear Chairman Bertelsen and Committee Members:

Senate Bill No. 291 is an amendment to Section 7-12-2183 MCA, making a new Section 2, which would authorize the Board of County Commissioners by order, or resolution, to loan money from the Revolving Fund to a district maintenance fund for emergency repairs only when there are insufficient funds currently in the district maintenance fund.

Such loan shall be repaid in one, two, or no more than three years, at the option of the Board of County Commissioners.

As of August 25, 1980, the City of Billings refuses to repair any water or sewer main breaks and therefore Yellowstone County must hire a private contractor to do the repairs and he must be paid when work is complete or within 30 days. When there are insufficient funds, what is the County's option?

County Attorney, Harold Hanser, and the Board of County Commissioners and myself are of the opinion that this is what the Revolving Fund is for and should be used for in these emergency cases.

Here in Yellowstone County, since the inception of Rural Special Improvement Districts, we now number 621.

As far as the Revolving Fund being in jeopardy for its original intended use, the answer is no. On September 4, 1980, the Board of County Commissioners have adopted a resolution that when Rural Special Improvement Districts are created, the district is charged 2% of the total district costs and 25% of these funds are placed in the Revolving Fund and 75% in the General Fund for administrative and county engineering costs.

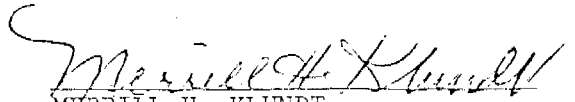
When the governing body deems it necessary they may change this formula and place a greater percentage in the Revolving Fund if found necessary.

Representative Verner Bertelsen
March 25, 1981
Page 2

County Attorney, Harold Hanser, has ruled that to borrow funds for emergency repairs from the Revolving Fund is illegal under the current statutes.

We are asking for your support to pass this worthwhile and needed legislation.

Respectfully submitted,

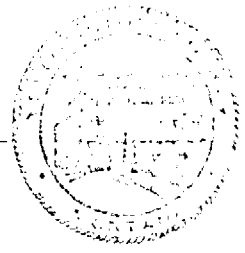

MERRILL H. KLUNDT
Clerk and Recorder
Yellowstone County

MHK/jc

County of Yellowstone

BILLINGS, MONTANA 59101

COUNTY ATTORNEY'S OFFICE, YELLOWSTONE COUNTY COURTHOUSE, ROOM 508



Criminal Division - 252-5181, ext. 230
Deferred Prosecution - 252-5181, ext. 230
Victim Witness Assistance - 252-5181, ext. 230
Civil Division - 252-5181, ext. 352
Criminal Investigation Division - 245-6625

Child Support Enforcement Division - 259-2239
1537 Avenue D, Suite 135
Billings, Montana 59102

April 25, 1980

Merrill H. Klundt
Clerk and Recorder
Yellowstone County
Courthouse
Billings, Montana

Re: R.S.I.D. #593
Yellowstone Club Estates

Dear Merrill:

This letter will confirm our discussion of April 23, 1980, regarding your letter raising various questions about R.S.I.D. #593. Your recalculation appears in order.

The revolving fund cannot be used as a loan vehicle to reimburse the county road fund. This can be done only by distributing each year from the assessments against the district.

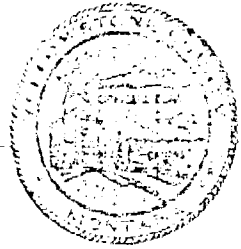
The county has apparently developed some improper procedures in the use of the revolving fund. I am furnishing a copy of this letter to the Board of County Commissioners, the Treasurer, and the Auditor for their information. The only purpose for which the revolving fund can be used is to insure the payment of bonds or warrants and interest thereon. The Commissioners cannot authorize any loan to a district against the revolving fund for any purpose except for the payment of the bonds or interest. It is my understanding that in the past, some districts have not anticipated their maintenance requirements and funds have been advanced to them from the revolving fund. This is clearly improper. Because some districts may rely on this past procedure it would seem advisable that the Board of County Commissioners put out a directive to all districts that this procedure will no longer be approved.

Very truly yours,

HAROLD F. HANSER
County Attorney

HFH/mb
cc: Board of County Commissioners
Treasurer, Yellowstone County

County of Yellowstone



37

COMMISSIONERS

BILLINGS, MONTANA
59101

March 25, 1981

House Local Government Committee
c/o Verner Bertelsen, Chairman
State Capitol Building
Helena, MT 59101

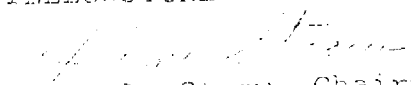
Re: SB291

Gentle(wo)men:

The Board of County Commissioners of Yellowstone County would appreciate your support in passing Senate Bill 291. This bill will authorize the Board of County Commissioners to borrow money from the revolving fund for emergency repairs when necessary.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
YELLOWSTONE COUNTY, MONTANA


James A. Straw, Chairman


Dave Gorton, Member

JAS:bjs

cc: All Members of Committee
MACo

CITY OF BILLINGS PUBLIC UTILITIES DEPARTMENT



GERALD D. UNDERWOOD, P.E.
Public Utilities Director
CARL H. CHRISTENSEN
Asst. Public Utilities Director

P.O. BOX 30958

2251 BELKNAP AVE.
BILLINGS, MONTANA
59111

YELLOWSTONE COUNTY
COMMISSIONER
RECEIVED
PHONE 248-9191

JUL 28 1980

July 24, 1980

Mr. James Straw, Chairman
Board of Yellowstone County
Commissioners
Yellowstone County Courthouse
Billings, Montana

re: MAINTENANCE OF RURAL SPECI
IMPROVEMENT DISTRICT WATER
AND SANITARY SEWER LINES

Dear Mr. Straw:

Please be advised that the Public Utilities Department can no longer continue to perform for you the maintenance work on Rural Special Improvement District water and/or sanitary sewer lines. Unfortunately, our limited resources prevent our continuing this type of service for the County.

Beginning August 25, 1980 we will no longer be able to offer our services to you in this regard. Hopefully, this will give you ample time to make other arrangements to satisfactorily provide for the maintenance of your Rural Special Improvement District facilities.

If you so desire, after August 25, 1980 I can have our employees respond to Rural Special Improvement District water main break calls for the purpose of isolating and shutting off the water mains when such breaks occur. However, if you desire for us to provide this service, I will have to bill you for our costs of providing same. Also, I will need a designated county official's name to call in case such water main breaks occur. Said official could, upon notice of the water main break, arrange for the necessary repairs to be affected in your behalf. •

Please advise me at your earliest convenience if you have any questions or require additional information concerning this matter. And if per chance you would like to meet with me concerning this matter, please so advise and I will be happy to do so.

Very truly yours,

Gerald D. Underwood

Gerald D. Underwood, P. E.
Public Utilities Director

cc: Mr. A. Thelen
Mr. C. Christensen
Mr. M. Thomas

REMEMBER

File
WATER IS PRECIOUS!

PLEASE DON'T WASTE IT

MAINTENANCE OF RSID WATER & SANITARY SEWER LINES -
from Gerald D. Underwood, P.E., City of Billings
granting 60-day extension.

CITY OF BILLINGS

PUBLIC UTILITIES DEPARTMENT



GERALD D. UNDERWOOD, P.E.
Public Utilities Director
CARL H. CHRISTENSEN
Asst. Public Utilities Director

P.O. BOX 30958

2251 BELKNAP AVE.
BILLINGS, MONTANA
59111

PHONE 246-9191

RECEIVED
CITY OF BILLINGS
AUG 27 1980

August 27, 1980

Mr. James A. Straw, Chairman
Board of County Commissioners
Yellowstone County Courthouse
Billings, Montana 59101

re: MAINTENANCE OF RSID WATER
and SANITARY SEWER LINES

Dear Mr. Straw:

Receipt of your letter of August 25, 1980 concerning the above referenced subject is hereby acknowledge.

I have discussed your request for a sixty-day time extension with Mr. Al Thelen, City Administrator. We are in agreement that you should be granted said time extension. Therefore, please be advised that we will continue to provide for the maintenance of the RSID water and sanitary sewer lines through October 24, 1980 as we have in the past. Beginning October 25, 1980 the County must then provide for its own maintenance of said water and sanitary sewer lines.

If you have any questions or require additional information regarding this matter, please so advise me at your earliest convenience.

Very truly yours,

Gerald D. Underwood, P. E.
Public Utilities Director

GDU:jbp

cc: Mr. A. Thelen, Attachment
Mr. C. Christensen, Attachment
Mr. M. Thomas, Attachment
File, Attachment

R E M E M B E R

WATER IS PRECIOUS!

PLEASE DON'T WASTE IT!

Commissioner M. E. McClintock introduced the following and moved for its adoption; Commissioner Christen seconded the motion and it was unanimously passed:

R E S O L U T I O N

WHEREAS, Yellowstone County incurs certain administrative expense in regard to Rural Special Improvement Districts; and

WHEREAS, Yellowstone County finds it necessary that said Rural Special Improvement Districts bear a portion of the administrative expense incurred thereby.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. Pursuant to Section 7-11-3113, Montana Codes Annotated, all Rural Special Improvement Districts shall be assessed for Yellowstone County's administrative expenses as follows:

2% of total district cost on all RSIDs.

2. Said assessments shall be paid out of revenue from sale of bonds.

2. Twenty-five Percent (25%) of the assessment shall be deposited in the Yellowstone County revolving fund and Seventy-Five Percent (75%) of the assessment shall be deposited in the Yellowstone County general fund.

4. This R

DONE

STANDING COMMITTEE REPORT

.....March 27..... 19 31.....

MR. SPEAKER.....

We, your committee on.....LOCAL GOVERNMENT.....

having had under consideration.....SENATE..... Bill No. 291.....

A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE LOANS FROM
THE RURAL SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND TO
FUND EMERGENCY REPAIRS IN A RURAL SPECIAL IMPROVEMENT
DISTRICT; AMENDING SECTION 7-12-2183, MCA."

Respectfully report as follows: That.....SENATE..... Bill No. 291.....

BE CONCURRED IN
DO:PASSx

cause the business community is experiencing a shortage of equity capital in loan money available at banks. This bill talks about high-risk money--money that doesn't have to be repaid. He explained the bill is in this committee because it contemplates an appropriation from the coal tax income. Two million dollars would be the investment, although it could be more.

PROPOSERS:

John Orth, Deputy Director of MHD Institute in Butte. He said a part of their activity in Butte is a Center for Innovation. Their problem is not in not having enough inventors, but in keeping aid up to inventors, such as marketing, engineering, and patenting.

Mark Meloy, Board of Directors, Montana Small Businessmen's Association, testimony attached, Attachment #3. He gave a copy of a book "The All Montana Catalog" to the secretary for members of the committee to look at if they had questions about how programs are picked.

Dave Lewis, Office of Budget Planning, State of Montana.

Sen. Towe said in closing that new ventures are often too risky for bankers to represent. The administration supports the development of new financing to help.

Senator Hager asked how appointed board members could be released if they didn't do a good job. Sen. Towe said one should appoint a real good executive director to begin with, but said SB 220 (a companion bill) had a proposal that, if accepted, would establish a permanent committee.

Senator Goodover's questions to Mr. Orth elicited that the Center for Innovation has invested about 1 million dollars in its 3-year existence. Venture capital spent was about \$100,000, 1/5 of the staff work has been done in Montana, there are 7 staff members in the Center, and that the future of the center was not certain.

Sen. Crippen felt that if ventures like this are not capable of obtaining capital from the free market place, there is a reason for it--because they have a high risk. He questioned the use of public money to fund the ventures.

The hearing was closed on Senate Bill 21.

CONSIDERATION OF SENATE BILL 291:

"AN ACT TO AUTHORIZE LOANS FROM THE RURAL SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND TO FUND EMERGENCY REPAIRS IN A RURAL SPECIAL IMPROVEMENT DISTRICT; AMENDING SECTION 7-12-2183, MCA."

Sen. Hager used the following presentation of the bill. Currently there is no provision for giving the Board of County Commissioners authority to make loans from the revolving fund for emergency repairs

February 11, 1981

or water main breaks or sewer line breaks on rural special improvement districts adjacent to the City of Billings. In the past, the City of Billings made the repairs and submitted a bill and the following year the County would levy a maintenance charge against the District to reimburse the City of Billings.

As of August 25, 1980, the City of Billings no longer is going to perform this service. Therefore, the governing body must hire private contractors to perform this service and when there are no funds in the district, must find funds to pay the contractor. The best source would be the revolving fund until such time as we can levy against the district for such repairs and the monies repaid to the revolving fund.

It is not equitable to levy an annual maintenance charge against all rural SID's as repair to a district could be once a year or once in 10 years. Levying an annual maintenance charge against all districts is unfair as above stated."

Sen. Hager introduced Merrill H. Klundt, Clerk and Recorder of Yellowstone County, testimony is Attachment #4.

OPPONENTS:

Bruce MacKenzie, D. A. Davidson, says the security of the revolving fund is behind bond purchases and when loans could go to other purposes that concerns DAD. Secondly, the loan calls for repayment in 3 years, but there isn't a penalty if it isn't repaid in that time.

The hearing was closed on SB 291.

CONSIDERATION OF SENATE BILL 326:

"AN ACT TO PROVIDE A MECHANISM FOR THE REGISTRATION OF ALCOHOL STILLS THROUGH A PERMIT SYSTEM; TO REQUIRE FILING OF AN ANNUAL REPORT; AND TO PROVIDE FOR PENALTIES FOR NONCOMPLIANCE."

Sen. Turnage said this bill provides the DOR with means of identifying alcohol stills in the state. Stills that are capable of producing gasohol are also capable of producing 190-proof spirits. This bill wants to identify who has them, require a minimal amount of reporting, and charge an issuance fee of \$5.00. The bill does not include beer or wine as no distilling equipment is used for their production.

Senator Goodover asked Jo Brunner if the W.I.F.E. organization was subject to this law. She responded that when the federal government gives a permit the licensee is open to investigation of how the still is operated. If any indication is given that the still is used to produce alcohol for human consumption, the permit is disallowed. Sen. Turnage said he would have no problem with amendment language that would permit demonstrations using the equipment.

ROLL CALL

TAXATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 2/11/81

NAME	PRESENT	ABSENT	EXCUSED
Goodover, Pat M., Chairman	✓		
McCallum, George, Vice	✓		
Brown, Bob	✓		
Brown, Steve	✓		
Crippen, Bruce D.	✓		
Eck, Dorothy	✓		
Elliott, Roger H.		✓	
Hager, Tom	✓		
Healy, John E. "Jack"	✓		
Manley, John E.	✓		
Norman, Bill	✓		
Ochsner, J. Donald	✓		
Severson, Elmer D.	✓		
Towe, Thomas E.	✓		

Each day attach to minutes.

Black #4

County of Yellowstone



MERRILL H. KLUNDT
Clerk & Recorder

BILLINGS, MONTANA

59101

February 17, 1981

Senator Tom Hager
Senate District No. 30
State Capitol Building
Helena, MT 59601

Dear Senator Hager and Committee Members:

The proposed Senate Bill No. 291 is an amendment to Section 7-12-2183 MCA, making a new Section 2, which would authorize the Board of County Commissioners by order, or resolution, to loan money from the Revolving Fund to a district maintenance fund for emergency repairs only when there are insufficient funds currently in the district maintenance fund.

Such loan shall be repaid in one, two, or no more than three years, at the option of the Board of County Commissioners.

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As far as the Revolving Fund being in jeopardy for its original intended use, the answer is no. On September 4, 1980, the Board of County Commissioners have adopted a resolution that when Rural Special Improvement Districts are created, the district is charged 2% of the total district costs and 25% of these funds are placed in the Revolving Fund and 75% in the General Fund for administrative and county engineering costs.

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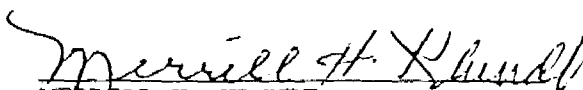
County Attorney, Harold Hanser, has ruled that to borrow funds for emergency

Senator Tom Hager
February 3, 1981
Page 2

repairs from the Revolving Fund is illegal under the current statutes.

We are asking for your support to pass this worthwhile and needed legislation.

Respectfully submitted,



MERRILL H. KLUNDT
Clerk and Recorder
Yellowstone County

County of Yellowstone

BILLINGS, MONTANA 59101



COUNTY ATTORNEY'S OFFICE, YELLOWSTONE COUNTY COURTHOUSE, ROOM 508

Criminal Division - 252-5181, ext. 230
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1537 Avenue D, Suite 135
Billings, Montana 59102

April 25, 1980

Merrill H. Klundt
Clerk and Recorder
Yellowstone County
Courthouse
Billings, Montana

Re: R.S.I.D. #593
Yellowstone Club Estates

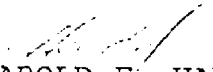
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The revolving fund cannot be used as a loan vehicle to reimburse the county road fund. This can be done only by distributing each year from the assessments against the district.

The county has apparently developed some improper procedures in the use of the revolving fund. I am furnishing a copy of this letter to the Board of County Commissioners, the Treasurer, and the Auditor for their information. The only purpose for which the revolving fund can be used is to insure the payment of bonds or warrants and interest thereon. The Commissioners cannot authorize any loan to a district against the revolving fund for any purpose except for the payment of the bonds or interest. It is my understanding that in the past, some districts have not anticipated their maintenance requirements and funds have been advanced to them from the revolving fund. This is clearly improper. Because some districts may rely on this past procedure it would seem advisable that the Board of County Commissioners put out a directive to all districts that this procedure will no longer be approved.

Very truly yours,


HAROLD F. HANSER
County Attorney

HFH/mb

cc: Board of County Commissioners
Treasurer, Yellowstone County
Auditor, Yellowstone County

CITY OF BILLINGS PUBLIC UTILITIES DEPARTMENT



P.O. BOX 30958

GERALD D. UNDERWOOD, P.E.
Public Utilities Director
CARL H. CHRISTENSEN
Asst. Public Utilities Director

2251 BELKNAP AVE.
BILLINGS, MONTANA
59111

YELLOWSTONE COUNTY
COMMISSIONER

RECEIVED
PHONE 248-9191

JUL 28 1980

July 24, 1980



Mr. James Straw, Chairman
Board of Yellowstone County
Commissioners
Yellowstone County Courthouse
Billings, Montana

re: MAINTENANCE OF RURAL SPECIAL
IMPROVEMENT DISTRICT WATER
AND SANITARY SEWER LINES

Dear Mr. Straw:

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If you so desire, after August 25, 1980 I can have our employees respond to Rural Special Improvement District water main break calls for the purpose of isolating and shutting off the water mains when such breaks occur. However, if you desire for us to provide this service, I will have to bill you for our costs of providing same. Also, I will need a designated county official's name to call in case such water main breaks occur. Said official could, upon notice of the water main break, arrange for the necessary repairs to be affected in your behalf.

Please advise me at your earliest convenience if you have any questions or require additional information concerning this matter. And if per chance you would like to meet with me concerning this matter, please so advise and I will be happy to do so.

Very truly yours,

Gerald D. Underwood

Gerald D. Underwood, P. E.
Public Utilities Director

cc: Mr. A. Thelen
Mr. C. Christensen
Mr. M. Thomas

REMEMBER

Commissioner M. E. McClintock introduced the following and moved for its adoption; Commissioner Christensen seconded the motion and it was unanimously passed:

R E S O L U T I O N

WHEREAS, Yellowstone County incurs certain administrative expense in regard to Rural Special Improvement Districts; and

WHEREAS, Yellowstone County finds it necessary that said Rural Special Improvement Districts bear a portion of the administrative expense incurred thereby.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. Pursuant to Section 7-12-2153, Montana Codes Annotated, all Rural Special Improvement Districts shall be assessed for Yellowstone County's administrative expenses as follows:

2% of total district cost on all RSIDs.

2. Said assessments shall be paid out of revenue from sale of bonds.

2. Twenty-Five Percent (25%) of the assessment shall be deposited in the Yellowstone County revolving fund and Seventy-Five Percent (75%) of the assessment shall be deposited in the Yellowstone County general fund.

4. This Resolution becomes effective immediately.

DONE this 4th day of September, 1980.

BOARD OF COUNTY COMMISSIONERS
YELLOWSTONE COUNTY, MONTANA

Jim Straw
James A. Straw, Chairman

M. E. McClintock
M. E. McClintock, Member

7--March 6, 1981

Rep. Moore closed. He said he thought no more than \$3,600 should be the amount as it is comparable to those who are retired under federal retirement. He only asked for an even break. This bill just has to do with the private sector--they are just asking for the same break public and federal employees get.

CRIPPEN: You said you want them to get the same break. Federal employees get a \$3,600 break. It would seem public employees are fully tax exempt.

MOORE: PERS, Highway Patrol, Teachers Retirement, and game wardens are fully tax exempt and pay no state income tax from their pensions.

CRIPPEN: I support your concern that the bill would have very little chance of passing if these were incorporated.

MOORE: Thirty-six hundred dollars was exempted for federal and military service organization. We are just trying to ensure that the private sector gets the same break as them.

CRIPPEN TO FEAVER: She said she would say the Department of Revenue had not prepared the fiscal note because their name was not there.

MOORE: Estimates (fiscal note) have varied from \$400,000 to 1.2 million. It isn't known how many people would qualify. Rules would have to be set up in the Department of Revenue as to who might qualify.

The hearing was closed on House Bill 63.

DISPOSITION OF SENATE BILL 291:

Sen. McCallum said SB 291 is recommended to the full committee as a DO PASS. Bruce Crippen moved the amendments to SB 291. The motion carried unanimously. It was moved to give a DO PASS, as amended, on SB 291. All voted aye, except for Senator Norman.

DISPOSITION OF SENATE BILL 292:

The subcommittee recommended that Senate Bill 292 be given a DO PASS, as amended. Sen. McCallum moved the amendments and the vote was unanimously carried. Sen. McCallum then moved that Senate Bill 292 be given a DO PASS, as amended. The motion carried unanimously.

DISPOSITION OF SENATE BILL 383:

Cort responded to an earlier question regarding SB 383 saying that the difference is between protest and petition. For a RSID you need 60% before RSID can be formed, but to protest a SID you need 50%.

NORMAN: They aren't comparable because the county commissioners cannot enact a RSID. They have to get 60% to come and ask, but the city council with 15% can get a petition. At least this brings us up to some sort of equality.

ROLL CALL

TAXATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 3/06/81

NAME	PRESENT	ABSENT	EXCUSED
Goodover, Pat M., Chairman	✓		
McCallum, George, Vice	✓		
Brown, Bob	✓		
Brown, Steve			
Crippen, Bruce D.	✓		
Eck, Dorothy	✓		
Elliott, Roger H.	✓		
Hager, Tom	✓		
Healy, John E. "Jack"	✓		
Manley, John E.	✓		
Norman, Bill	✓		
Ochsner, J. Donald	✓		
Severson, Elmer D.	✓		
Towe, Thomas E.	✓		

Each day attach to minutes.

STANDING COMMITTEE REPORT

March 6, 1981

MR. PRESIDENT:

We, your committee on TAXATION

having had under consideration SENATE Bill No. 291

Respectfully report as follows: That SENATE Bill No. 291, the introduced bill, be amended as follows:

1. Page 2, line 3.
Following: "years."

Insert: "In no event may the loans interfere with the payments of bonds or warrants. The loan shall be repaid by an assessment as provided by 7-12-2120 if other funds are not available. If there are not sufficient funds in the revolving fund to make the loans without interfering with the payment of bonds or warrants, then the loans may not be made."

And, as so amended,

DO PASS